



CBP Trade Strategy

Fiscal Years 2009–2013



U.S. Customs and
Border Protection

Message from the Commissioner

U.S. Customs and Border Protection (CBP), an agency within the U.S. Department of Homeland Security (DHS), is responsible for managing and securing our Nation's borders both at and between the ports of entry while facilitating legal travel and trade. Over the last five years, the U.S. economy has experienced rapid growth in trade within an increasingly complex environment. On a typical day, CBP processes \$5.2 billion in imports, collects \$68.5 million in duties, and processes over 85,000 entries. With expanded access to goods comes a greater potential for harm to the American people and economy where the pace and frequency of trade in today's global marketplace leaves little room for error or delay.



To address the growth, risks, and complexities of international trade, CBP developed a Trade Strategy to guide our efforts toward a system that is swift, safe, and secure for legitimate imports entering the U.S. marketplace. We will realize this vision by achieving four strategic goals:

- **Facilitate Legitimate Trade and Ensure Compliance** – manage a consistent and risk-based trade process, reduce delays to compliant imports, and strengthen partnerships to ensure compliance.
- **Enforce U.S. Trade Laws and Collect Accurate Revenue** – apply expert knowledge of trade laws and swift enforcement actions to identify, address, and deter high-risk trade law violations and ensure proper revenue collection.
- **Advance National and Economic Security** – protect the U.S. economy and consumers from unsafe imports and unfair trade practices, assist in establishing and directing U.S. trade policy, and operate trade import processes that complement national and economic security goals.
- **Intensify Modernization of CBP's Trade Processes** – position the agency to successfully achieve business results and realize the benefits of modernization.

A layered approach to trade facilitation and enforcement is of utmost importance to the successful achievement of these goals. CBP's layered approach advances trade operations beyond the physical border by expanding pre-entry and post-release compliance verification programs, thereby reducing unnecessary delays for legitimate imports at the border and increasing the quality of both trade and security outcomes. This comprehensive approach is a dynamic response to the nature of today's international trade environment.

CBP will successfully implement the Trade Strategy by strengthening the following areas:

- **Expert Trade Law Application** – strengthen expertise in all aspects of trade law, develop actionable, risk-based trade policy, and transparently and efficiently collect revenue.
- **Effective Enforcement** – deploy the best enforcement techniques to address trade law violations and deter future non-compliance.
- **Risk Assessment and Advance Targeting** – set CBP priorities based on risk analysis using leading edge technologies to efficiently target non-compliance.
- **Progressive Partnership Development** – develop meaningful relationships with the trade community characterized by trust, exchange of information, and mutual understanding.
- **Information Management and Effective Communication** – manage our performance based on analysis of quality data and effectively communicate within CBP and with our stakeholders.

The Trade Strategy complements our national strategies for gaining operational control of the borders at and between the ports of entry. We will continue to coordinate and work in close, seamless cooperation across CBP and with other U.S. Government agencies to ensure our mission is achieved.

A handwritten signature in black ink that reads "W. Ralph Basham". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

W. Ralph Basham
Commissioner, U.S. Customs and Border Protection

CBP Trade Strategy

Fiscal Years 2009–2013

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Executive Summary

U.S. Customs and Border Protection (CBP) works to prevent terrorists and terrorist weapons from entering the U.S. while effectively facilitating the flow of legitimate imports and people. The safety and security of international trade and the prevention of terrorism are complementary objectives and inextricably linked. The intent of CBP's Trade Strategy reflects the critical responsibility of enforcing U.S. trade laws while ensuring compliant trade flows into the United States. By fostering a safe and fair international trade process, interdicting harmful and inadmissible goods, and protecting the economic security of our industry, the Trade Strategy strengthens our ability to address national and economic security priorities and advances our ability to meet CBP's mission.

We have seen the volume and value of U.S. imports continue to grow due to increasing global economic integration. On a typical day, CBP processes over 85,000 shipments of goods worth \$5.2 billion. In Fiscal Year (FY) 2007 alone, \$2 trillion worth of goods arrived in 10 million vessel containers through a vast network of 810,000 importers, representing a more than 65 percent growth in value since FY 2001. Experts project that this amount will triple by 2015.¹

With this growth comes a greater challenge in protecting against harm to the American people and economy, as well as heightened stakeholder expectations. The American public is concerned with potentially contaminated agriculture and unsafe consumer products. U.S. industry expects protection from unfair and illegal trade practices while demanding the rapid release of compliant imported goods with minimal delays, barriers, and cost.

Given the growth and the risk associated with international trade, the challenge is clear – CBP must facilitate legitimate imports while protecting our Nation's economy and people from unfair trade practices, illicit commercial enterprises, and unsafe imports. To direct an effective trade facilitation and enforcement approach, CBP focuses its actions and resources around priority trade issues that pose a significant risk to the U.S. economy, consumers, and stakeholders. The agency assists in setting and directing trade policy and executes operations to address the following priority trade issues: Antidumping and Countervailing Duty (AD/CVD); Agriculture; Import Safety; Intellectual Property Rights (IPR); Penalties; Revenue; and Textiles and Wearing Apparel.

In January 2008, CBP identified Import Safety as a priority trade issue to address growing concerns with the safety of consumer and industrial products. CBP is committed to: 1) working with the private sector to help build safety into the manufacturing and distribution process; 2) continually improving upon risk-based targeting methodologies; 3) acting swiftly and in a coordinated manner to seize, destroy, or otherwise prevent dangerous goods from advancing beyond the points-of-entry; and 4) taking swift action to limit potential exposure and harm to the American public in the event an unsafe product makes its way into the domestic commerce.

¹ Data Sources:
"Import Trade Trends: FY 2006 Year End Report." U.S. Customs and Border Protection: January 2007. Accessed online: <cbp.gov>
"On a Typical Day..." U.S. Customs and Border Protection: March 2007. Accessed online: <cbp.gov>

The Trade Strategy presents a comprehensive approach to address these issues and challenges. At the core of the strategy is the layered approach to trade facilitation and enforcement that employs numerous efforts in the pre-entry, entry, and post-release environments to prevent, address, and deter trade law violations, and this central concept is illustrated in Figure 1.1.

Figure 1.1 – Extending the Border through the Layered Approach to Trade Facilitation and Enforcement



In the pre-entry environment, CBP works with other Government agencies, global industry, and foreign governments and customs agencies to share information prior to arrival, monitor the import process, verify compliance, and evaluate risk. At the border, CBP uses risk assessments to target and focus resources on high-risk security, admissibility, and health and safety issues for further review, while moving compliant trade across the border. Finally, in a post-release setting, account-based verifications and audits are performed to ensure the process functioned properly and to refine risk assessments based on outcomes. This comprehensive approach is a dynamic response to the nature of today's international trade environment.

Building from the strategic direction set by the U.S. Department of Homeland Security (DHS) and CBP, this plan defines the strategic vision and goals for the CBP import facilitation function for the next five years. The strategic goals are:

Goal 1: Facilitate Legitimate Trade into the United States and Ensure Compliance

Employ risk management principles and advance targeting of information to facilitate legitimate imports. Expand partnerships with the trade community, other U.S. Government agencies, and international entities to ensure compliance. Expand the pre-entry and post-release verification programs to reduce cargo delays at the border.

Goal 2: Enforce U.S. Trade Laws and Collect Accurate Revenue

Improve risk analysis and targeting through expanded information sharing with the trade community, other U.S. Government agencies, and international entities. Apply swift, consistent enforcement actions to address and deter high-risk trade law violations. Employ trade expertise to set priorities, direct policy, enforce compliance, and collect proper duty.

Goal 3: Advance National and Economic Security

Protect U.S. consumers and industry through the prevention of unsafe imports and elimination of unfair trade practices. Advance DHS and CBP security priorities to meet priority missions and assist other U.S. Government agencies with primary concerns. Strengthen national trade policy by influencing the development of actionable trade laws and regulations that enable CBP to more effectively administer trade policy.

Goal 4: Intensify Modernization of CBP's Trade Processes

Streamline trade processes and enhance delivery of services to stakeholders through automated, account-based, and paperless processes and technology. Strengthen trade expertise and ensure a skilled workforce capable of effectively executing CBP's mission. Ensure commitment to change to realize the benefits of modernization.

Figure 1.2 illustrates the strategic framework for the Trade Strategy. The vision statement defines the scope of responsibility. The goals reflect the high-level results needed to meet the vision and the objectives establish specific, measurable targets. Strategies serve as the mechanisms for achieving the goals and objectives.

Figure 1.2 – Strategic Framework for the Trade Strategy



Trade Environment and Stakeholders

Introduction

The Trade Strategy embodies CBP's commitment to facilitate trade coming into the United States while protecting the U.S. economy and people from unfair trade practices, illicit commercial enterprises, and unsafe imports. The Strategy addresses CBP's trade responsibilities including gathering information and performing verifications on the supply chain before goods arrive, the processing and release of goods into the U.S. marketplace, and any actions taken to ensure compliance and enforce U.S. trade laws. To appreciate CBP's role, it is important to understand the complex trade environment in which CBP operates and the expectations of stakeholders.

Trade Volume and Trends

The United States relies on international commerce to sustain economic stability and vitality. The nearly \$2 trillion in imports combined with over \$1 trillion in exports form a core component of our economy. Customs revenue is currently the second largest source of revenue for the U.S. Government; in FY 2007, the United States collected over \$32 billion from trade duties, taxes, and fees.

Trade continues to increase in volume, value, and compliance. Between FY 2001 and 2007 imported goods grew by more than 65 percent in value. CBP processed approximately 10 million inbound vessel containers and more than 31 million entries at 326 ports of entry. Business practices, such as just-in-time inventory and fully integrated, global supply chains, place additional demands on trade facilitation and enforcement. However, while the volume and value of imports have increased, so has the overall compliance measurement rate from 91 percent in FY 2001 to 98 percent in FY 2007.² Besides trade growth, the composition of trade is also growing more complex. The U.S. Harmonized Tariff Schedule, a classification system comprised of 99 chapters used to classify goods for statistical and tariff purposes is continually updated to represent the broad and growing range of imported commodities. Goods are received by over 810,000 importers, with the top 3,000 importers accounting for approximately 73 percent of all import value and 64 percent of all entry lines. Additionally, the United States trades with almost every country in the world, with the top five partners—Canada, China, Mexico, Japan, and Germany—representing over 50 percent of imports in FY 2007.

Fueling the growth in global trade are an increasing number of Free Trade Agreements (FTAs) and Preferential Trade Programs which reduce duty rates and other barriers to trade and promote economic development and market access, but generally increase the complexity of trade laws enforced by CBP.

² CBP conducts a Compliance Measurement (CM) annually to collect objective statistical data to determine the compliance of commercial imports with U.S. trade laws, regulations, and agreements, compliance with supply chain security issues, and to estimate the revenue gap.

CBP Trade Process

CBP Operation Prior to Entry

Given the enormous volume of trade, establishing the legitimacy and compliance of cargo prior to arrival at the border is vital to CBP's success. Our current import system begins with setting policies and priorities based on risk assessments. Prior to entry, cargo pre-clearance occurs, importers submit entry information, and CBP uses this information to vet shipments prior to arrival and target shipments for further review. CBP also partners with global industry to foster self-governance compliance programs, including Importer Self Assessment (ISA) and National Account Management. Additionally, CBP uses other tools, such as rulings, regulations, and international verifications to help expedite the flow of legitimate shipments and achieve compliance with trade laws. CBP faces several challenges in this environment: analyzing information and verifying goods prior to arrival, performing quality risk analysis to target, and building beneficial partnerships.

CBP Operation at the Port of Entry

As the goods arrive at the U.S. border, CBP controls trade through the port of entry. Seasoned CBP officers, import specialists, agriculture specialists, and entry specialists use their expertise and experience to target, examine cargo, review entry documentation, collect duties, and interact with the importing community to enforce and ensure compliance with U.S. trade laws. At the port of entry, CBP is challenged with optimum allocation of resources, insufficient infrastructure, and conflicting priorities.

CBP Operation in Post-Release Environment

Once the cargo is released by CBP, compliance and revenue reviews and verifications, including account-based audits, are performed to ensure the process functioned properly and to finalize the transaction. When exceptions are found, appropriate actions are taken to deter future non-compliance. In addition, CBP collects and reports trade information for internal and external stakeholders. Challenges in the post-release environment include: limited process refinement based on outcomes; time-consuming manual liquidations and reconciliations; requirements of other Government agencies; and optimal use of auditing capabilities.

Stakeholders and Partners

Given the current trade environment, the success of CBP depends on collaboration with numerous Government agencies, private sector entities, and domestic and international organizations. The involvement of many partners throughout the trade process creates a complex environment with potentially competing priorities that must be balanced. Trade stakeholders have specific expectations regarding how goods should flow through the trade process, for example, industry stakeholders demand fast release of compliant cargo while certain U.S. Government agencies require mandatory physical inspections or document reviews. Cooperation among partners is necessary to meet stakeholders' needs and balance trade facilitation and enforcement. CBP partners with:

Federal Departments and Agencies

The Departments of State, Commerce, Justice, Transportation, Agriculture, Health and Human Services, Interior, the Environmental Protection Agency, U.S. Immigration and Customs Enforcement, the Consumer Product Safety Commission, and the U.S. Trade Representative are some examples of Federal agency stakeholders. Effective communication and coordination with these departments and agencies is imperative to successfully facilitate legitimate imports and enforce trade laws.

Congress and U.S. Citizens

Our elected representatives and American consumers are major CBP stakeholders. Americans rely on the smooth flow of legitimate, safe imports while Congress shapes the laws CBP enforces and provides the funds to purchase technology, increase personnel, and expand operations.

Foreign Governments and International Organizations

CBP must have effective coordination with foreign entities, including the World Customs Organization (WCO), World Trade Organization (WTO), and foreign governments and customs agencies to exchange information and monitor the import process.

Industry and Trade Community

CBP must work closely with members of the industry and trade community, including importers, brokers, and carriers, based on a relationship characterized by trust, self-governed compliance, and information sharing. The facilitation of trade is vital to the success and growth of the global marketplace. CBP must address and manage the expectations of the trade community and help them understand the requirements of the import process.

Threats and Vulnerabilities

Over the next five years, CBP faces significant challenges in facilitating legitimate cargo through the ports of entry and enforcing U.S. trade laws. This section presents the major challenges addressed by the Trade Strategy, including the growing magnitude of trade, heightened stakeholder expectations, increasing concern with import safety, and combating commercial trade fraud in high-risk priority areas.

Magnitude of Trade

The forces of globalization, through more open access to markets and growing economic interdependence, continue to increase both the volume and speed of goods coming into the United States each year. Although expanded and swift trade brings benefits to the U.S. consumer and economy, it also impacts CBP's ability to facilitate legitimate imports while maintaining an effective enforcement posture. CBP is challenged to prioritize, identify, and prevent the entry of high-risk cargo into the United States. Specific vulnerabilities include: time-consuming and manual processes, incomplete advance entry information, multiple non-compatible automation systems, and a focus on intervention at the border. These obstacles lessen the agency's ability to perform advance targeting, make confident compliance determinations, and apply swift, effective enforcement using both intervention and prevention methods. The risk of admitting non-compliant and harmful goods will rise unless CBP addresses these limitations.

Heightened Stakeholder Expectations

The international trade process involves a complex web of stakeholders working together to craft trade policy, set priorities, operate daily import and export procedures at home and abroad, address security and safety concerns, and deliver and use imported goods. Each of these stakeholders place high expectations on CBP and demand responsive service. The primary stakeholders CBP collaborates with are U.S. industry, U.S. citizens, and Congress.

U.S. industry is highly concerned with counterfeiting and the evasion of trade laws that erode its ability to successfully compete. Examples of significant trade law evasions are dumping, foreign subsidies, duty evasion, and quota/visa circumvention. When unaddressed, these violations have resulted in billions of dollars in losses to the U.S. economy. U.S. industry expects protection from such unfair and illegal trade practices, while demanding rapid, low cost importation. CBP focuses on AD/CVD, textiles, IPR, and penalties as priority trade issues to combat these practices.

U.S. citizens expect to maintain their lifestyles with open access to the goods and services they desire, while demanding the highest standards of protection from security, health, and safety risks. Congress and other U.S. Government agencies expect CBP to fully enforce trade laws, facilitate compliant trade, and collect the proper amount of revenue. CBP focuses on the safety of imports and agriculture and the proper collection of revenue as priority security and trade issues to address these concerns.

The confluence of these factors has raised international and Congressional interest and increased visibility into CBP's operational effectiveness and efficiency, challenging the agency to properly balance its activities and prioritize its actions.

Import Safety Concerns

Imported goods, as well as the conveyances they arrive on, present health and safety risks to American consumers and the U.S. economy. Health risks stem from the possible release of tainted products into the food supply, such as Avian Influenza and Mad Cow Disease contaminant, and from the potential introduction of pests that can be injurious to people, the economy, agriculture, and the environment. Safety concerns are caused by unsafe consumer products, such as substandard or toxic goods that are unacceptable under U.S. standards, entering our marketplace and causing harm.

There is a heightened risk of unsafe products entering the United States due to the growth in imports from developing or newly industrialized countries with health and safety standards potentially lower than U.S. standards. Although the United States retains one of the world's most secure and safe food supplies, highly publicized product recalls and tainted food outbreaks cause the American public unease over potential harm caused by imported goods.

A vulnerability that increases the risk of importation of unsafe goods is an operational focus on intervention rather than prevention within the import process. Verification of quality and safety standards throughout the production process can minimize this vulnerability. By establishing clarity and collecting information from each phase of the import lifecycle, CBP would be better informed to make admissibility determinations.

Combating Fraud

The risk of fraud in today's complex trade environment is a major concern because unlawful trade practices that circumvent U.S. trade laws cause damage to the U.S. economy, industry, and consumer. The admittance of goods that violate our trade laws and agreements creates uncompetitive market conditions especially for products within the textile industry, subject to dumping, or at risk for intellectual property right infringement. In addition, fraud poses a threat to innovation and may reduce the desirability of related investments in the United States, which are essential elements for economic health.

U.S. consumer demand for brand-named products and the ease of replication through the use of common technologies has encouraged the development of a parallel illicit market for unlicensed reproductions that violate IPR. These counterfeiting operations undercut legitimate business, often with little regard for health and safety standards.

In addition to fraudulent goods, there is risk in fraudulent practices. Unfair business practices – such as selling goods under market value to erode our economic competitiveness through dumping and foreign subsidies and circumvention of trade laws, including duty and health and safety provisions – adversely affect American businesses and may hurt consumers. In addition to the many benefits of trade agreements, illicit importers misuse these agreements to falsely

claim benefit eligibility, thereby illegally receiving duty- and conditionally duty-free access to the U.S. marketplace.

There are several methods that bad actors pursue to circumvent U.S. trade laws, including: illegal transshipment; counterfeiting and falsification of documents; identity theft; and port shopping (i.e., attempting to enter previously denied goods through different ports). These tactics prevent subjecting imported goods to visa, quota, and admissibility requirements, and hinder CBP's ability to collect the proper amount of revenue. Of particular concern are manufacturers and importers who, by changing names, locations, and other identifying information, diminish the deterrent effects of current enforcement actions.

Operational Challenges

Within this environment of a rising volume of complex work and increased expectations from stakeholders, there is a shared vision to create rapid, growing, safe, and secure trade. To keep pace, CBP must address its operational challenges, mitigate risks, and close vulnerabilities. The following issues must be addressed to improve operations.

Data Management

CBP must modernize and integrate systems for processing and recording data to ensure collection and use of highest quality data. CBP must move from a transaction-level to an account-based view of the import process. CBP must also have broader information sharing with other Government agencies through an interoperable single-window interface, system access, and quality data analysis to make knowledge-based decisions that will help reduce both delays in the release of compliant cargo and mistaken release of non-compliant cargo.

Risk Assessment

In the face of increasing volume, CBP must assess the risk of incoming cargo to efficiently and effectively set the level and environment for inspection and review. CBP must enhance risk assessment tools and models to better integrate new data, trade information, and enforcement action results. This will improve overall targeting efficiency and ensuing effectiveness of enforcement actions.

Border Infrastructure

CBP must address and resolve the physical infrastructure limitations in the field that do not sufficiently support current operations. Specific challenges include: limited office space; outdated equipment; low bandwidth internet access; and lack of central and convenient examination stations and document repositories.

Human Capital

To mitigate the risks described in this section and to successfully implement the Trade Strategy, CBP must undertake a strong, enterprise-wide effort to train its workforce in the complexities of the trade environment. This includes trade laws and regulations, FTAs and other trade preference programs, and the issues and risks associated with the priority trade issues. In addition, risk assessment skills, system and database knowledge, partnership management, and auditing capabilities continue to grow in importance and must be deepened across the workforce.

Risk Management

To meet these challenges, the agency must proactively prioritize and optimally direct limited resources. CBP applies three principles to prioritize work efforts. First, CBP identifies trade issues that cause significant revenue loss, economic risk to U.S. industry, or represent health and safety concerns to citizens. Second, CBP examines trade concerns that are sensitive to outside interests. Third, CBP investigates trade issues that are susceptible to non-compliance, have a prior history of problems, or are characterized by a lack of automation or complexity.

CBP uses these three principles to analyze information and identify high-risk trade areas. Currently, CBP concentrates on seven priority trade issues:

- AD/CVD – Facilitate the lawful importation of merchandise subject to the AD/CVD law, enforce AD/CVD requirements, and promote the timely and accurate collection of AD/CVD duties without placing an undue burden on importers and international trade.
- Agriculture – Facilitate the lawful importation of agriculture products and detect and prevent the intentional or unintentional contamination of agricultural product or food that could cause harm to the American public, agriculture, or economy.
- IPR – Facilitate the lawful importation of IPR-protected merchandise and improve the effectiveness of IPR enforcement by ensuring a single, uniform approach and focusing on known or alleged violators with high aggregate values or whose infringing products threaten national security, health and safety, or economic security.
- Import Safety – Develop import safety strategies that expand and emphasize a cost-efficient, risk-based approach to import safety.
- Penalties – Promote facilitation of compliant imports and improve the effectiveness of trade fraud remedies by emphasizing national direction, uniformity, and swift action.
- Revenue – Maximize collection efforts by ensuring strong controls over the revenue process and by focusing on material revenue risks.
- Textiles and Wearing Apparel – Facilitate the lawful importation of textiles and wearing apparel and ensure the effective enforcement of the anti-circumvention laws, trade agreements, and trade legislation regarding the importation of textile and wearing apparel.

By continuing to analyze risks and focus resources on current and emerging priority trade issues, CBP will remain dynamic and flexible and be able to address America's trade concerns with a clear focus.

CBP Trade Vision

CBP's trade vision is to develop a swift, safe, and secure system by which legitimate imports enter the United States. The successful combination of the elements below creates a freely accessible, yet managed, trade environment where legitimate goods are rapidly admitted across America's borders and harmful goods are intercepted and deterred.

A swift flow of legitimate imports entering the U.S. marketplace, free from harm to U.S. economy and consumers, where:

- U.S. trade laws are enforced, with harmful and non-compliant cargo intercepted and deterred.
- Legitimate imports are identified and rapidly admitted to consumers and industry without disruption.
- Compliant and secure trade is ensured and supported by mutually beneficial partnerships.
- Modernized processes and technology enable a streamlined import process.
- Emerging risks are mitigated through the development and execution of actionable national trade policy.

Goals, Objectives, and Strategies

The Trade Strategy presents four goals for the agency:

Goal 1: Facilitate Legitimate Trade into the United States and Ensure Compliance

Ensure the compliance of the overall import stream and improve the speed at which legitimate goods are cleared into U.S. commerce.

Goal 2: Enforce U.S. Trade Laws and Collect Accurate Revenue

Apply consistent enforcement actions enabled by risk management and targeting and collect the proper amount of revenue.

Goal 3: Advance National and Economic Security

Protect consumers and the economy from harmful imported goods and unfair trade practices, advance U.S. Government security and safety priorities, and strengthen national trade policy.

Goal 4: Intensify Modernization of CBP's Trade Processes

Build organizational capacity to streamline processes, strengthen workforce skills, and realize the benefits of modernization.

This plan focuses on results-driven goals to support economic security through trade facilitation and enforcement and complements CBP's security mission. Each strategic goal is described below, along with the accompanying objectives. The objectives have strategies that serve as the "how-to".

Facilitate Legitimate Trade Into the United States and Ensure Compliance

Strategic Goal 1

To ensure the swift flow of compliant imports, CBP must reduce the impact of enforcement actions on lawful importers at the border. CBP accomplishes this by improving risk assessment and targeting, enhancing partnerships with the trade community, and expanding pre-entry and post-release verification programs. Since the vast majority of imports are compliant, advance knowledge of which imports conform to U.S. trade law is essential for risk analysis and enables a streamlined movement of legitimate cargo. CBP will continue to partner with the trade community through various account-based programs, such as National Account Management and ISA, to deepen importer knowledge of the import process and entry requirements. This promotes self-governance, ensures compliance, and fosters an importing experience that is efficient and free of barriers. These pre-entry actions in addition to post-entry verification programs, such as audits and entry summary reviews, allow the agency to focus its limited port resources, primarily CBP officers, import specialists, and agriculture specialists, on high-risk transactions that may present security, safety, and admissibility concerns.

Objective 1.1

Improve risk assessment and targeting based on advance information to identify and facilitate compliant imports.

The swift admittance of compliant goods hinges on an understanding of risk. CBP will continue to improve risk assessment and targeting to better assess trade risks, assign risk levels to shipments and trade patterns, set policy, and prioritize work efforts around the priority trade issues. Additionally, CBP will continue to coordinate and exchange information with partners to target, verify compliance, and provide appropriate facilitation benefits. CBP resources will continue to confront only high-risk shipments with true admissibility, safety, and security issues, specifically related to IPR, Textiles, Import Safety, Agriculture, and other high-risk cargo at the border, shifting other documentation reviews, for instance AD/CVD and Revenue verifications, to pre- and post-entry. As a result, CBP streamlines the movement of compliant goods into the United States.

Strategies

MAINTAIN COMPREHENSIVE AND RESPONSIVE RISK PROFILES.

- Develop tools that integrate information to provide account-based views of the trade community and process-views of imported goods that enable risk management.
- Analyze historical compliance trends to identify low-risk shipment characteristics (including break-outs for country of origin, type of cargo, method of shipment, importing entities, FTA, etc.).
- Incorporate new trade information to continually update risk profiles based on changing risks in the trade community, trade patterns, and outcomes to ensure proper facilitation and reduce multiple verifications of compliant and trusted importers.
- Provide training on the priority trade issues and the use of risk assessments and communicate facilitation priorities regularly to all CBP personnel.

IMPROVE TARGETING OF COMPLIANT IMPORTS.

- Investigate leading-edge targeting tools and develop an automated targeting system for trade that drastically reduces verifications of compliant and partnered importers.
- Purge outdated targeting criteria to eliminate unnecessary exams and reviews.
- Pursue advance entry information and apply weighted risk profiles to identify compliant imports for facilitation.
- Deploy processes for the layered trade approach to ensure compliance and facilitate trusted importers according to environment and risk, and use such integrated processes across the enterprise uniformly.
- Share targeting results with other Government agencies to develop a more complete picture of compliant imports.

Objective 1.2

Strengthen partnerships with the trade community, other U.S. Government agencies, and international organizations to ensure compliance.

CBP will continue to strengthen programs with the broad importing community to ensure compliance, thereby reducing the universe of shipments that require inspection or review at the border. Through the efforts of National Account Managers, Import Specialists, and Auditors, CBP will enhance account-based partnerships with the trade community to foster corporate self-governance and compliance improvement programs. Additionally, CBP commits to providing assistance to the trade community through training, publications, and other outreach programs. CBP will continue to coordinate with other U.S. Government agencies to understand risks and implement trade processes that reduce information collection, target high-risk trade, and ensure compliance with U.S. trade laws. With international organizations, Customs Attorneys and International Trade Specialists will continue to contribute to WCO/WTO meetings and share best practices.

Strategies

IDENTIFY STRATEGIC PARTNERS AND DEFINE RELATIONSHIPS.

- Determine the intent and expected benefits of partnerships and understand partner needs to maximize relationship building efforts.
- Identify members of the trade community with which to establish mutually beneficial arrangements and communicate CBP's expectations and facilitation benefits.
- Evaluate interrelationships between CBP and other U.S. Government agencies and clearly define roles and responsibilities, including appropriate compliance verification processes.

LEVERAGE PARTNERSHIPS TO PROMOTE COMPLIANCE AND FACILITATION.

- Enhance the benefits and expand participation in formal account-based partnership programs (such as National Account Management and ISA) with the trade community to improve self-governance and compliance management.
- Identify approaches to promote self-governance to small and medium-sized importers.
- Establish communication channels and disseminate information to the trade community to share best practices and to explain application of trade law, benefits of partnership with CBP, and penalties for non-compliance.
- Establish account-based views of the importing community and pursue interoperability of processes and systems with the trade community, other U.S. Government agencies, and foreign government agencies.
- Expand upon existing public-private relationships to seek and share the importing community's recommendations and best practices with other Federal departments and agencies for import safety and security purposes, and provide training in accessing this information.

Objective 1.3

Expand pre-entry and post-release verification programs to reduce cargo delays at the border.

CBP remains committed to advancing the layered trade approach to prioritize actions at various stages of the import process depending on risk and potential trade law violation. In the pre-entry environment, CBP will continue to leverage partnerships to identify trusted importers using international verifications, rulings, and corporate self-assessment programs. CBP will expand post-release verifications of documentation, through audits and entry summary reviews, to address non-admissibility issues primarily related to revenue and AD/CVD laws. This approach will reduce delays to compliant cargo, improve facilitation, and allow for optimal allocation of resources at the border.

Strategies

CONTINUE TO IMPLEMENT THE LAYERED APPROACH TO TRADE FACILITATION AND ENFORCEMENT.

- Formalize the layered approach to trade facilitation and enforcement and communicate its strategic advantages internally and externally to stakeholders.
- Deploy processes for the layered trade approach to ensure compliance and facilitate trusted importers according to environment and risk, and use such integrated processes across the enterprise uniformly.
- Coordinate and explore alternatives with other U.S. Government agencies to lessen requirements for border-based examinations, shifting regulatory verifications to the pre- and post-entry environments, where appropriate.

PROMOTE COMPLIANCE IN THE PRE-ENTRY ENVIRONMENT.

- Expand trade community participation in National Account Management, ISA, Broker Self Assessment, and other programs as they are developed.
- Encourage pre-entry classification rulings and provide access to subject matter experts and information services for import advice.
- Increase cooperation with foreign entities to verify shipments abroad, including international verification teams.

CONDUCT APPROPRIATE POST-ENTRY VERIFICATIONS.

- Focus entry summary reviews primarily on those entries related to priority trade issues to better prioritize resources based on risk.
- Expand the audit program and other post-entry reviews to verify compliance, improve internal controls, and validate the accuracy of duty payments to help close the revenue gap.

Enforce Trade Laws and Collect Accurate Revenue

Strategic Goal 2

CBP will continue to expertly apply U.S. trade laws and execute enforcement actions that identify, address, and deter trade law violations. Using the layered trade approach, CBP continues to assess risks, identify targets, and prevent violations in the pre-entry environment by coordinating and sharing information with the importing community and other Government agencies where applicable. Port personnel will continue to use advance information to target non-compliance, halt shipments, and take enforcement action against security, admissibility, and health and safety violations primarily focused on the priority trade issues. Entry documentation and accurate revenue payments will continue to be verified in the post-release environment by Import Specialists, Entry Specialists, and Auditors and swift enforcement actions by Fines, Penalties, and Forfeitures (FP&F) officers and Seized Property specialists against those that commit violations will remain in place. To enforce trade laws effectively, CBP will continue to leverage the trade law expertise of National Import Specialists and Customs Attorneys to assist the trade community with proper application of trade laws and to support field personnel with identifying and properly reviewing high-risk imports prior to release.

Objective 2.1

Improve risk analysis and targeting through information sharing with the trade community, other U.S. Government agencies, and international organizations to identify trade law violations.

The effective enforcement of U.S. trade laws is dependent on CBP's ability to assess risks and target non-compliance. Through the integration of trade information, performance outcomes, and trade patterns CBP will continue to use International Trade Specialists to analyze risks, refine risk assessments, and create increasingly reliable targets focused on the priority trade issues. CBP will continue to leverage automated targeting tools and best practice risk management principles from security and other industries to proactively address priority trade issues. CBP will also expand relationships and increase advance information sharing with partners to prevent and reduce violations and address emerging trade risks.

Strategies

USE PARTNERSHIPS TO UNDERSTAND RISKS AND ENSURE COMPLIANCE.

- Gather advance information from partners within the trade community to proactively address current and emerging risks such as IPR, Textiles, and AD/CVD.
- Define formal communication channels through which partners can provide trade fraud, harmful imports, and other tips.
- Share enforcement best practices with foreign entities to address violations in the most effective manner, increase deterrence, and enhance the safety and security of the international supply chain.

MAINTAIN COMPREHENSIVE AND RESPONSIVE RISK PROFILES.

- Analyze historical trends of non-compliance and fraud to identify high-risk factors and create risk profiles.
- Leverage best practices from across Government and industry to improve risk assessment and management.
- Pursue interoperability of processes and systems with the trade community, U.S. Government agencies, and foreign government agencies to best understand high-risk areas and improve transparency.
- Develop procedures and provide training to ensure the correct and timely recording of enforcement findings and results in an integrated system to improve risk assessments and targeting (including cargo exam findings, entry summary and other document review results, international verification findings, enforcement action outcomes, and audit results).
- Incorporate new trade information to continually update risk profiles based on changing risks in the trade community, trade patterns, and enforcement action outcomes to ensure identification of non-compliant cargo.
- Provide training on the use of risk assessments and communicate enforcement priorities regularly to all CBP personnel.

IMPROVE TARGETING OF NON-COMPLIANT IMPORTS.

- Pursue advance entry information and apply weighted risk profiles to identify non-compliant imports for enforcement actions.

- Expand use of risk models to all priority trade areas and emerging risk areas and purge inefficient targeting criteria.
- Investigate leading-edge targeting tools and develop an automated targeting system for trade that drives priorities and actions based on risk scores.

Objective 2.2

Apply consistent and swift enforcement actions to deter and address trade law violations and ensure lawful revenue collection.

To stop circumvention of U.S. trade laws, CBP will continue to identify high-risk cargo and take swift action to enforce U.S. trade laws and collect proper revenue. CBP will continue to coordinate internally and with other U.S. Government agencies to ensure that enforcement actions are consistently applied. Events will be uniformly recorded, results will be integrated, and trade information will be shared across the enterprise. CBP remains committed to providing field personnel with the knowledge, tools, and training to properly identify and address violations related to priority trade issues. FP&F officers and Seized Property specialists will use enhanced enforcement mechanisms to deliver immediate impact to non-compliant importers and maximize deterrent effects. Additionally, CBP will continue to operate transparent and efficient revenue collection processes. The consistent enforcement of U.S. trade laws allows CBP to attack unfair trade practices and effectively act as the U.S. law enforcement arm and regulatory body for trade.

Strategies

IDENTIFY AND EXECUTE THE MOST EFFECTIVE ENFORCEMENT ACTIONS.

- Deploy processes for the layered trade approach to enforce trade laws according to environment, risk, and priority, and use such integrated processes across the enterprise uniformly.
- Execute enforcement actions and allocate resources based on the effectiveness of enforcement actions on varying types and levels of non-compliant imports.
- Focus border reviews and inspections on security, admissibility, and health and safety issues.

INCREASE THE DETERRENT FACTOR OF EFFECTIVE ENFORCEMENT.

- Execute appropriate enforcement actions in a timely manner to change non-compliant importer behavior.
- Produce public information campaigns for deterrence purposes that detail trade law enforcement success and consequences of violation.
- Reform penalty process to issue significant and timely penalties to correct non-compliant importer behavior, with a specific focus on high-risk issues and agency priorities.
- Engage the Department of Justice in the penalty process and collaborate with them to enforce U.S. trade laws and initiate collection actions, as necessary, to effectively collect the penalties issued.
- Explore innovative methods of deterrence beyond penalties.

ENSURE LAWFUL REVENUE COLLECTION.

- Evaluate revenue processes to improve reliability and transparency in collection and reporting across CBP for both importers and Government stakeholders.
- Provide periodic and account-based billing, payment, and refund procedures and enable payments or refunds in a variety of electronic means.
- Work with finance function to improve revenue processes and ensure smooth integration of modern business practices.

Objective 2.3

Employ trade expertise to set priorities, assist in establishing national trade policy, and verify compliance.

Effective enforcement depends on CBP's ability to assess risk, target, and swiftly act on non-compliance. These capabilities are most successful when CBP applies trade expertise to help develop trade policies, formulate regulations and rulings, and set priorities. CBP will continue to ensure that International Trade Specialists have the expertise on U.S. trade laws, rules, and regulations to effectively create policies that focus field personnel on the priority trade issues. Additionally, the agency will train field employees on trade laws, rules, and regulations and equip them with access to experts and tools to verify that importers are correctly applying U.S. trade laws.

Strategies

ENHANCE CBP'S TRADE EXPERTISE AND KNOWLEDGE OF THE TRADE ENVIRONMENT.

- Educate personnel on the practical application of trade laws, regulations and agreements and focus training efforts on those commodities and issues that have been targeted as being a priority trade issue or high-risk.
- Evaluate the trade environment based on historical, current, and emerging risks, and proactively set and address priorities through the development of annual plans.
- Provide field personnel with access to experts and information services so that enforcement actions are taken based on trade law requirements, including help-desk type services and a web-based centralized knowledge repository.

DEVELOP POLICIES THAT ENABLE THE AGENCY TO ENFORCE COMPLIANCE EFFECTIVELY.

- Create trade policies that enable CBP to expand pre- and post-entry compliance verification and enforcement activities.
- Develop a port-specific report card to manage performance and assist in the prioritization of field trade resources to priority trade issues.
- Reform penalty process to issue significant and timely penalties to correct non-compliant importer behavior, with a specific focus on high-risk issues and agency priorities.
- Explore innovative methods of deterrence beyond penalties.

Advance National and Economic Security

Strategic Goal 3

CBP promotes national and economic security by building consumer and industry confidence in the safe and secure arrival of compliant, fair trade to the United States. CBP must ensure that all imported consumer, industrial, and agricultural products are safe and secure for entrance, consumption, and use by U.S. consumers and industries. CBP must also ensure that they combat unfair trade practices of importers that attempt to circumvent U.S. trade laws. This becomes a growing challenge in a global economy where consumers, just-in-time processes, and integrated supply chains demand reliability, accuracy, and speed. CBP will continue to collaborate across DHS and with other U.S. Government agencies to set policies and foster a secure and trusted import process.

Objective 3.1

Protect U.S. consumers through the secure and trusted import of safe agriculture and goods.

CBP is helping to build a prevention-focused model that monitors the entire import lifecycle and ensures import safety. The agency will evaluate the expansion of partnership programs to integrate import safety verifications. To further secure the import process, CBP will continue to fully integrate requirements for and personnel skilled in agriculture, health, and safety issues into trade processes to help identify concerns before and at entry. Additionally, CBP will continue to use laboratory services to analyze and verify the health, safety, and admissibility of products prior to release. When this internal knowledge is combined with partnerships, the import process is infused with confidence and transparency, and delivers a strong means for improving national and economic security.

Strategies

BUILD A FOUNDATION FOR A PREVENTION FOCUS IN THE IMPORT LIFECYCLE.

- Develop improved tools that link trade data and supply chain history to provide a clear view of import lifecycle and improve targeting.
- Provide training on risk assessment and promote the prevention mindset through communication of compliance and safety benefits to stakeholders.
- Analyze trade data to identify an import safety risk model for high-risk imports.
- Gather advance information and use international verification to identify and locate high-risk imports before shipments occur.

ENSURE COMPREHENSIVE, RELIABLE, AND TIMELY SAFETY INSPECTIONS.

- Coordinate requirements and inspections with experts from critical U.S. Government agencies that are involved in determining import safety (e.g., U.S. Department of Agriculture, Consumer Product Safety Commission, and U.S. Food and Drug Administration).
- Train personnel to identify safety concerns and provide web-based information and printed materials at the inspections sites.
- Investigate leading edge inspection technologies for CBP officers to identify unsafe imports and leverage timely lab verifications.

WORK WITH PARTNERS TO ENSURE A COMPREHENSIVE IMPORT SAFETY APPROACH.

- Define roles and responsibilities between CBP and other U.S. Government agencies to maximize the effectiveness of import safety policy, resources, and work efforts.
- Engage other U.S. Government agencies involved with import safety to take full advantage of current International Trade Data System (ITDS) capabilities and investigate additional process and system interoperability.
- Broaden import safety agreements and share best practices with foreign governments to increase global collaboration.

- Leverage existing public-private relationships (e.g., Commercial Operations Advisory Committee, Trade Support Network (TSN)) to share information with owners and operators of the commercial import infrastructure.

Objective 3.2

Protect domestic industry from unfair trade practices related to IPR, textiles, and AD/CVD trade law evasion.

Our economic security depends in part on CBP's ability to assess risks and analyze trade data to identify and target cargo that evades U.S. trade laws, including the import of cargo subject to AD/CVD, IPR-infringing merchandise, and textiles and wearing apparel. The agency will advocate the expansion of international verification programs to prevent the importation of unlawful goods from importers engaged in unfair trade practices. Additionally, CBP will improve the effectiveness of inspections and enforcement actions so that infringing cargo is identified, seized, and destroyed and importers are swiftly penalized. The agency will expand post-release verification programs to proactively address IPR, textile, and AD/CVD trade issues with quick response audits and entry summary reviews, where appropriate. Through this layered approach, CBP delivers strong enforcement of U.S. trade laws that maintains domestic industry competitiveness and protects our economic security.

Strategies

ASSESS THE RISK FACTORS FOR IMPORTS AND IMPORTERS ENGAGED IN UNFAIR TRADE PRACTICES AND TARGET CARGO FOR EXAMINATION AND REVIEW.

- Develop improved tools that link trade data and supply chain history to provide a clear view of import lifecycle and improve targeting.
- Analyze trade data to develop and continually enhance risk models for textiles, dumping, and IPR infringements.
- Gather advance information and use international verification to identify and locate imports at risk for unfair practices before shipments occur.
- Expand the use of account-based post-release programs, such as quick response audits, to verify compliance.

ENSURE THAT PERSONNEL INSPECTING CARGO CAN CONFIDENTLY IDENTIFY TRADE LAW VIOLATIONS AND EFFECTIVELY REMOVE NON-COMPLIANT IPR AND TEXTILE CARGO.

- Coordinate inspections with experts from critical U.S. Government agencies that are involved in identifying textile composition, country of origin, IPR infringements, and goods subject to dumping orders.
- Train personnel to identify textile, dumping, and IPR concerns, and provide web-based information and printed materials at the inspection sites that help CBP officers and reviewers recognize unfair trade practice concerns.
- Investigate leading edge inspection technologies for CBP officers to identify unfair trade practice concerns and leverage timely lab verifications.

WORK WITH PARTNERS TO COMBAT UNFAIR TRADE PRACTICES.

- Define roles and responsibilities between CBP and other U.S. Government agencies, including the Department of Commerce and Department of Justice, to maximize the effectiveness of policy and enforcement efforts.
- Inform companies of their opportunities to help combat trade law evasion for IPR, textiles, and dumping, including registering trademarks, presenting information sessions, and providing allegations of unfair trade practices.
- Share best practices with foreign governments to increase global collaboration to combat IPR infringement, illegal textile transshipment, dumping, and unfair subsidies.
- Leverage existing public-private relationships (e.g., Commercial Operations Advisory Committee, TSN) to share information with owners and operators of the commercial import infrastructure.

Objective 3.3

Advance DHS and CBP security priorities and assist other U.S. Government agencies with primary concerns.

The DHS and CBP security mission will be enhanced through the application of the Trade Strategy. Through trade law enforcement, CBP will continue to provide assistance to other U.S. Government agencies by executing their regulatory and import safety policies while working with them to investigate innovative methods for verifying compliance.

Strategies

SUPPORT THE CBP SECURITY MISSION THROUGH SHARED UNDERSTANDING OF RESPONSIBILITIES, OPTIMAL ALLOCATION OF RESOURCES, AND ASSISTANCE WITH REGULATION DEVELOPMENT AND AUDITS.

- Evaluate interrelationships between DHS agencies and clearly define complementary roles and responsibilities to understand common goals and ensure a comprehensive enforcement approach.
- Focus CBP officers' specialized security skill sets on security priorities and leverage Import Specialists and other trade specific personnel to address trade concerns.
- Provide regulation development and audit assistance with criminal investigations to support the security mission.
- Identify infrastructure changes needed at the border to perform required targeting, inspection, and enforcement activities.

INCREASE COORDINATION AND AWARENESS BETWEEN THE TRADE POLICIES AND PROCESSES OF CBP AND OTHER U.S. GOVERNMENT AGENCIES.

- Evaluate jurisdictions and interrelationships between CBP and other U.S. Government agencies and clearly define roles and responsibilities to ensure a comprehensive enforcement approach.
- Articulate operational impact of regulations to other U.S. Government agencies and collaborate to find the best enforcement methods.

- Conduct outreach, training, and seminars with other U.S. Government agencies to share best practices and enforcement techniques.
- Develop electronic access to integrated trade-related data across U.S. Government agencies, including electronic licenses and permits, and provide importers with a unified submission process of trade data to U.S. Government.
- Coordinate and explore alternatives with other U.S. Government agencies to lessen requirements for border-based examinations.

Objective 3.4

Strengthen national trade policy by influencing the development of actionable trade laws and regulations that enable CBP to more effectively administer trade policy.

Through close collaboration with other U.S. Government agencies, CBP will continue to share effective enforcement policies and inform partners of enforcement complexities to strengthen U.S. trade policy. International Trade Specialists and Attorneys will monitor CBP's trade operation and determine the impact of trade laws. This information will be used to proactively advocate for and develop actionable trade policies and regulations that can be fully enforced and deter importer non-compliance. CBP will continue to collaborate with other U.S. Government agencies to clearly define roles and responsibilities in trade law execution.

Strategies

PROVIDE INPUT TO TRADE LAW DEVELOPMENT TO ENCOURAGE RESPONSIVE AND COMPREHENSIVE POLICY.

- Monitor emerging trade policies that are likely to impact trade processes and CBP's trade responsibilities.
- Determine operational impacts of pending policies on CBP operations and the trade community.
- Provide input to set and direct policy that reflects CBP's priorities.

COLLABORATE WITH STAKEHOLDERS TO CLEARLY DEFINE ROLES AND RESPONSIBILITIES DURING TRADE LAW DEVELOPMENT.

- Coordinate and explore policy alternatives to decrease border-based regulatory actions.
- Continually evaluate the implementation effectiveness of trade policies to ensure desired facilitation, enforcement, and deterrence outcomes.
- Share information regarding current enforcement challenges and best practice mitigation techniques.

Intensify Modernization of CBP's Trade Processes

Strategic Goal 4

The fourth goal focuses on creating the organizational capacity to coordinate and manage modernization of CBP trade processes and technologies and enhance service delivery. CBP will continue to build and maintain a highly effective workforce armed with the skills and tools to control the complex import environment and enforce U.S. trade laws. As CBP modernizes, the agency will also proactively manage the cultural change and ensure that CBP and stakeholders realize modernization benefits. Modernization of the organization, processes, and technology is the cornerstone for achieving the Trade Strategy goals, objectives, and strategies and must begin in earnest.

Objective 4.1

Streamline trade processes and enhance delivery of services to stakeholders through automated, account-based, and paperless processes and technology.

CBP will continue to critically assess the trade processes and procedures and refine trade community interaction to provide account-based, technology-enhanced service delivery. Streamlining and integrating the operations and workflow requires not only process improvements, but also requires broad technology modernization. CBP will continue to deploy technology that collects and analyzes quality data, automatically refines risk assessments, and provides account-based views. Also, the agency will integrate operations within the broader international trade systems modernization effort, including the Automated Commercial Environment (ACE) and the ITDS. Externally, modernization will also include the creation of system linkages between CBP and stakeholders to automate common services and information delivery.

Strategies

MODERNIZE THE ORGANIZATION'S PROCESSES.

- Map all CBP trade business process and evaluate potential changes to workflow.
- Formalize the process for recording accurate activity, findings, and outcome data, and integrate trade processes and the related information systems.
- Define points of contact for interactions and establish clear communication channels with stakeholders.

MODERNIZE THE ORGANIZATION'S TECHNOLOGY.

- Develop electronic access to integrated trade-related data across U.S. Government agencies, including electronic licenses and permits, and provide importers with a unified submission process of trade data to the U.S. Government.
- Promote the paperless, electronic submission and review of entry documentation and records associated with audits.
- Research available risk assessment and targeting technologies and deploy an automated targeting system for trade.
- Provide an employee web portal that provides role specific information and catalogues recent enforcement actions, best practices, inspection tips, and expert trade law resources from across the organization.

Objective 4.2

Strengthen trade expertise and ensure a skilled workforce capable of effectively executing CBP's mission.

To successfully execute CBP's mission and modernize trade processes, a comprehensive plan is required to attain and retain the workforce and skills needed for the future. Impending wide-scale retirement, coupled with less experienced employees, means that CBP must address the

potential loss of expertise and experience. CBP will continue to address role design, resource requirements, succession planning, staffing decisions, training, and performance management to implement this strategic plan effectively.

Strategies

DEEPEN CBP PERSONNEL TRADE EXPERTISE.

- Evaluate workforce skills and capabilities, identify near-term and long-term human capital requirements, and develop a human capital strategy to effectively acquire, develop, and retain the right skills and capabilities.
- Provide role-specific training to all CBP personnel to enhance understanding and application of complex trade laws and to support modernized trade processes and technology.
- Educate personnel on the practical application of trade laws, rules, and regulations and focus training efforts on those commodities and issues that have been targeted as being a priority trade issue or high-risk.
- Explore regionalized, onsite training options and increase frequency and availability of refresher training.
- Formalize programs that facilitate the transfer of knowledge from experienced professionals to new hires.

PROVIDE ONGOING SUPPORT TO CBP EMPLOYEES.

- Provide information services for employees on the practical application of trade law requirements to field personnel executing enforcement actions, including help-desk type services and a web-based centralized knowledge repository.
- Provide differentiated communications of priorities to personnel based on their respective information needs in a clear and focused manner, and provide a channel for feedback.
- Maintain adequate levels of support staff to ensure the appropriate alignment of specialized skill sets to priority trade functions.

Objective 4.3

Ensure organizational preparedness and commitment to change necessary to realize the benefits of modernization.

CBP will continue to effectively lead, mobilize, and manage the organization change process. Intensive modernization of CBP's trade processes and the successful implementation of the Trade Strategy require organizational transformation to be a primary focus. Leadership must work in coordination to jointly execute policy and operational changes. Communication of expectations, milestone achievements, and performance outcomes are of utmost importance during implementation.

Strategies

DEVELOP A COMMUNICATION PROGRAM TO ENSURE SUCCESSFUL MODERNIZATION.

- Communicate the overarching vision for the future, resources required, and timelines for change.
- Establish expectations, roles, and responsibilities with key leadership to promote accountability.
- Communicate the vision for modernized operations, processes, and activities, and the role-specific expectations for CBP employees.
- Deliver critical messages through key leaders and provide channels for employees to submit feedback.

BUILD MECHANISMS TO SUPPORT PERFORMANCE MANAGEMENT.

- Measure implementation progress of the Trade Strategy through the tracking and reporting of timelines and milestones.
- Develop a performance framework that cascades Trade Strategy performance outcome measures through the organization to develop a line of sight between the Trade Strategy and the daily trade processes.
- Develop automated reporting of key outcomes, performance measures, and other critical information for decision makers, including trade-specific metrics.
- Develop programs to measure the cost/benefit ratio, impact, and deterrence of CBP actions on importer behavior.
- Ensure accountability for change through the development of performance report cards (e.g. port and priority trade issue specific).

ENSURE THE AVAILABILITY OF QUALITY INFORMATION.

- Understand the information requirements of decision makers and identify gaps in data collection.
- Build a data warehouse that consolidates findings, audit results, penalties and seizures information, compliance measurement data, and other operational information to improve targeting and create insight into performance.
- Define the data elements needed to support comprehensive risk assessments and performance management, leveraging industry best practices (e.g., security, insurance, credit).
- Develop data management processes that ensure quality, completeness, validity, security, and consistency of import trade information.

Performance Measures

Through this Trade Strategy, CBP strives to maintain the focus created by the Government Performance and Results Act, including a means of measuring progress. CBP will use the performance measures included here as decision-making tools to help move the agency toward a consistent, unified trade strategy, achieving economic security through facilitation and enforcement. CBP will continue to evaluate and update the measures, as data becomes available.

CBP Trade Strategy: Performance Measures

Goal 1: Facilitate Legitimate Trade into the United States and Ensure Compliance

- Compliance Measurement Material Transactional Discrepancy Rate (CM MTD), including breakouts for various categories (e.g., partners, commodities, countries of origin) and percentage change of CM MTD over time.
- Level of speed at which compliant imports clear CBP, as measured on a timeline beginning with lading and broker transmission of entry information through CBP clearance processes (rated on an index with different weights for different characteristics / types of goods).
- Percentage of multiple verifications of trusted importers and partners.
- Percentage of prioritized importers who enroll in partnership programs.
- Level of effectiveness of risk assessments, including coordination of analysis, risk modeling, and allegation assessments.

Goal 2: Enforce U.S. Trade Laws and Collect Accurate Revenue

- Level of effectiveness and impact on importer behavior of targeting and enforcement programs in the pre-entry, entry, and post-entry environments (including all targeting performed, such as cargo exams, entry summary reviews, audits, and international verifications).
- Revenue gap.

Goal 3: Support National and Economic Security

- Level of CBP-led strategies, priorities, and concepts prioritized by other agencies or policy makers (internal measure).
- Level of effectiveness and impact on importer behavior of targeting and enforcement programs measured in each the pre-entry, entry, and post-entry environments (including all targeting performed, such as cargo exams, entry summary reviews, audits, and international verifications).

Goal 4: Intensify Modernization of CBP's Trade Processes

- Percentage of milestones met for modernization and impact of modernization on workload, paperless processing, and facilitation and enforcement programs.
- Percentage of resources focused on Priority Trade Issues and partnerships, measured in each the pre-entry, entry, and post-entry environments.
- Human capital management survey scores that measure employees' proficiency on key skills and abilities (internal measure).

Program Evaluations

Program evaluations complement the use of performance measures in assessing program effectiveness. The following table summarizes the program evaluations used to develop the Trade Strategy.

Program Evaluations Used to Develop the CBP Trade Strategy	
<i>Evaluation Area</i>	<i>Explanation/Focus</i>
Automated Commercial Environment (ACE) Release 4 Post-Deployment Problems (OIG-07-54)	ACE, Uniformity of Processes, Examination Results Recordation
Better Data Analysis and Integration Could Help CBP Improve Border Enforcement Efforts (GAO-07-735)	Integration/Uniformity of Data and Processes, IPR Enforcement
CBP Needs to Improve Workforce Planning and Accountability (GAO-07-529)	Customs Revenue Function, Human Capital Planning
CBP Has Made Progress on Automated Commercial Environment System, but it Faces Long-Standing Management Challenges and New Risks (GAO-06-580)	ACE
CBP's Revised Bonding Policy Reduces Risk of Uncollected Duties, but Concerns about Uneven Implementation and Effects Remain (GAO-07-50)	AD/CVD
Independent Auditors' Report On CBP's FY 2006 Consolidated Financial Statements (OIG-07-19)	Compliance Measurement, Automated Commercial System, Bonded Warehouse, In-Bond
Initial Observations on the STOP Initiative and United States Border Efforts to Reduce Piracy (GAO-06-1004T) & Strategy for Targeting Organized Piracy Requires Changes for Long-Term Success (GAO-07-74)	IPR Enforcement
Management and Coordination Problems Increase the Vulnerability of United States Agriculture to Foreign Pests and Disease (GAO-06-644)	Integration/Uniformity of Data and Processes
National Enforcement Strategy Needs Stronger Leadership and More Accountability (GAO-07-710T)	Risk Management, IPR Enforcement
Opportunities Exist to Enhance Collaboration at 24/7 Operations Centers Staffed by Multiple DHS Agencies (GAO-07-89)	Coordination and Partnerships
Persistent Weaknesses in the In-Bond Cargo System Impede CBP's Ability to Address Revenue, Trade, and Security Concerns (GAO-07-561)	Managing Trade and Security Risks, Accurate Duty Collection
Review of CBP's Agriculture Inspection Activities (OIG-07-32)	Uniform Processes, Risk & Performance Management, Resource Allocation

Benefits of the Plan

The CBP Trade Strategy will enhance the safety and security of imports for American industry and consumers, foster economic security, and enhance U.S. competitiveness. Key benefits include:

Greater Enforcement and Enhanced Facilitation

The U.S. Government's ability to enforce trade laws, prevent unfair trade practices, and stop harmful imports will be improved through this strategy's implementation. Enabled by stronger risk assessments, improved targeting tools, and effective enforcement techniques, CBP's layered approach to enforcing and facilitation trade coming into the United States will make a safer and more secure international trade process. Armed with trade law expertise and accurate, advance information, CBP personnel will have a comprehensive awareness of the shipments approaching our borders and will be able to effectively apply mechanisms to enforce U.S. trade laws. The U.S. economy will benefit from stimulated and efficient trade and U.S. consumers will continue to enjoy open and wide access to safe imports. U.S. industry will remain competitive in the marketplace and see the free flow of compliant, safe goods. Both domestic and international stakeholders will grow confident in CBP's ability to address trade concerns while maintaining a smooth flow of imports.

Enriched Partnerships

Implementation of the Trade Strategy will provide opportunities for further development of meaningful relationships with stakeholders, enabling CBP to more quickly address emerging risks by leveraging these partnerships. Through continued collaboration with Government agencies, CBP will continue to increase interoperability of trade systems and processes and enhance CBP's ability to share information, resources, and technology. Industry partnerships will deepen and importers will view CBP as a collaborator, as those partners who improve compliance through self-governance will receive enhanced facilitation benefits. America's success in safe and secure trade can highlight for international organizations the benefits of modernization and reform. Relationships with foreign governments will improve alongside a mutually beneficial, transparent, and efficient import process.

Modernized Organization, Processes, and Technology

The implementation of the Trade Strategy will result in a system that is expedient, safe, and secure for U.S. commerce. Processes will be designed for efficient service delivery and optimal automation. All ports of entry will execute trade tasks in a consistent manner and understand their performance on key outcomes. Employees will make risk-, knowledge-, and performance-based decisions that lead to effective enforcement and enhanced facilitation. Technology will enable employees to perform their roles to the best of their ability, with simplified access and recordation of information. Stakeholders' priorities will be met through the modernized CBP organization. The improved allocation of resources and effectiveness of operations will address

Congressional concerns and interest. Members of the trade community will enjoy enhanced facilitation benefits and a potential lower cost of importation. Other U.S. Government agencies will have their requirements met and enjoy the benefits of information sharing.

Looking to the Future

Trade enforcement and facilitation are integral to CBP's mission and key to economic and national security. CBP already has a number of successful programs and initiatives planned and underway to improve import facilitation and enforcement of trade laws. Many of these efforts provide a strong start to achieving the vision laid out in this Trade Strategy. Throughout the plan's implementation, CBP will continue to evaluate programs whose deployment and/or expansion will contribute to the achievement of this plan. The following initiatives provide examples of current and planned programs working toward an enhanced, modernized trade operation:

- **Risk Assessment and Priority Trade Issues** –CBP currently analyzes risks and identifies priority trade issues to inform resource allocation decisions and prioritize enforcement efforts. The current priority trade issues are AD/CVD, IPR, textiles and wearing apparel, revenue, import safety, agriculture, and penalties.
- **International Verification** –CBP helps secure the global supply chain by performing verification of production capabilities for international textile manufacturers in the pre-entry environment. CBP plans to broaden this concept to additional areas through targeted international verification visits to foreign countries. CBP is also investigating stationing personnel overseas to provide ongoing assessments of risk.
- **ACE** – CBP is presently deploying a unified, modernized trade processing system. ACE is designed to consolidate and automate border processing to significantly enhance border security and foster economic security through lawful international trade. ACE will integrate with the ITDS to form a unified import and export processing system.
- **Industry and Foreign Government Partnerships** – CBP expects to expand membership in established partnership programs, such as ISA and National Account Management. The agency additionally intends to escalate information sharing with international organizations, inline with the progress made in the IPR arena.
- **Post-Entry Verification Expansion** – CBP plans to increase the use of quick response audits focused on priority trade issues and other emerging concerns.

Key Success Factors

As this plan matures through its implementation phases, CBP will maintain a diligent focus on the key factors that will lead to continued success:

- **Program Ownership** – CBP will continue to provide strong executive support and program leadership to guide this strategic plan throughout its lifecycle.
- **Implementation Planning** – CBP will develop a prioritized, phased approach to executing the elements described in this plan according to their time frames, complexity levels, costs, and benefits.
- **Communication** – CBP will launch a carefully planned communication strategy to introduce and execute the Trade Strategy, and ongoing communications with both internal and external audiences will be proactively managed.
- **Change Management** – CBP will focus on evaluating and improving enterprise-wide performance and processes, and managing the rollout of subsequent changes for maximum effectiveness.
- **Human Capital and Resource Allocation** – CBP will continue to reassess and seek to address its human capital development and resource needs.

- **Legislative Support** – CBP will continue to identify and actively request any statutory and legislative changes required to achieve this plan’s vision.

With these key success factors at the forefront of CBP’s management of this Trade Strategy, CBP will be better positioned to facilitate legitimate trade coming into the United States while protecting the American economy and people from unfair trade practices, illicit commercial enterprises, and unsafe imports.

Appendix A: Strategic Planning Methodology

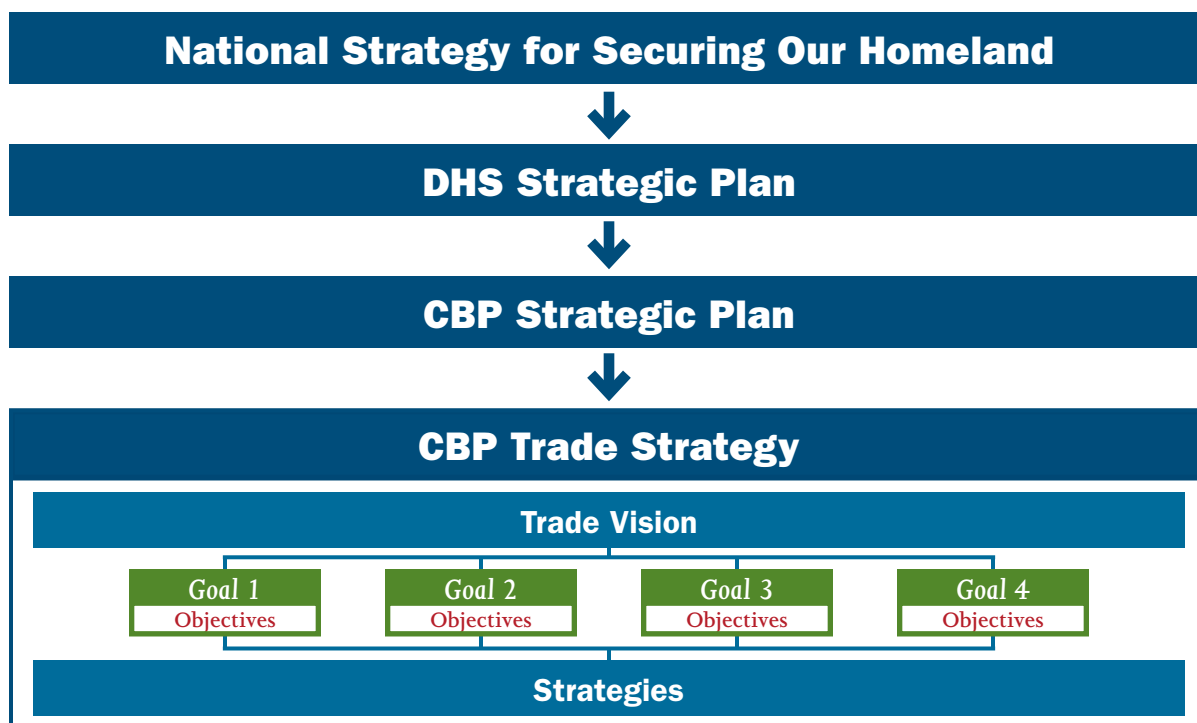
CBP used a four-phased approach to develop this strategy. Each phase builds on the information and insight gathered in the previous phase, culminating in this strategic plan.

- Phase 1 – Understand Strategic Context – CBP focused on understanding the key business drivers and gathered data on key strategic and operational issues, ongoing CBP initiatives, aspirations and concerns of CBP executives, and DHS and CBP strategic direction.
- Phase 2 – Analyze Goals and Opportunities – CBP facilitated discussions with key leadership to identify and articulate the vision, goals, objectives, and strategies. During this phase, the draft strategic plan was crafted and initial feedback requested from key CBP personnel.
- Phase 3 – Develop Operational Vision – CBP analyzed the impact of making this strategy a reality and evaluated existing CBP performance measures. In collaborative sessions with CBP managers, ideas were generated, vetted, and refined to align the final strategy with the expectations and desires of CBP leadership.
- Phase 4 – Finalize Plan and Communications Strategy – CBP translated the findings from the working sessions into a cohesive, final strategic plan and developed a plan to effectively communicate within CBP and with stakeholders.

Strategic Framework

This strategy is organized in a framework driven by a vision that describes the end-state for trade and identifies CBP’s scope of responsibility. The strategic goals reflect the high-level results of the organization’s activities and the objectives establish specific, measurable targets. Strategies serve as the mechanism for how to achieve the goals and objectives. The Framework is shown in Figure A.1 below.

Figure A.1 – Strategic Plan Framework





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